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APPENDIX B

**PROCEDURE FOR D/I ANALYSTS IN PREPARING PRODUCTION AND INPUT ESTIMATES FOR
NIE-65**

1. First phase: The deadline for completing this phase is 13 June 1952.

Before drawing up production time series, D/I analysts are requested to:

(a) Submit to A/EC a list of the product outputs for which output estimates can probably be provided. Include both industrial sector and reportable product varieties within these sectors. The purpose of this initial request is to enable A/EC to fill in the official ORR industrial classification and to enable it to exploit its extensive price data.

(b) Note on the lists of reportable products those items for which Soviet prices in different years are available. A/EC has acquired some 70 price lists, mostly 1949 and 1950 prices, and would be interested in exchanging price information.

2. Second phase: The deadline for completing this phase is 29 August 1952.

The substantive contributions by the analysts will consist of the following:

(a) Estimates of Soviet output of individual products for each year from 1927/28 through 1951. For those intermediate years in which no estimates are available the use of interpolated figures is suggested. Because A/EC already has extensive data on the period through 1935, analysts should consult with A/EC before doing research on the early period.

(b) Estimates on Satellite and Chinese economic activity. Although the main interest in this study is the USSR, estimates of production by Satellite and Chinese sources should be included and differentiated if they comprise a significant portion of the total.

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3. Third phase:

After output estimates have been furnished by D/I analysts, A/EC will use the submitted materials to construct indices of output. The various time series will be plotted to provide a basis for extrapolating production trends. The extrapolation process will require extensive consultation between A/EC and functional analysts, in order that 1957 production in each industry can be estimated in ranges, with probable upper and lower limits being set in accordance with our knowledge of expected developments in the industry.

4. Fourth phase: The deadline for completing this phase is 12 September 1952 for I/CG, I/SH, I/PE, and I/EE, and 26 September 1952 for I/A, I/AIR, and I/W.

After 1957 outputs have been derived, the functional analysts will participate in establishing input requirements for these production totals where it is possible for input analysis to be improved over the work done in ORR #110-51. Responsibility for determining the amount of effort which should be devoted to input analysis rests with Chief, D/I.

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